

STATEMENT OPPOSING WATERED-DOWN GLOBAL WARMING LEGISLATION

Friday, 26 June 2009

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For the Congressional Record

June 26, 2009

Statement of Congressman Pete Stark Opposing Watered-Down Global Warming Legislation

MR. STARK: Madam Speaker, I rise today in opposition to the American Clean Energy and Security Act (H.R. 2454). Global warming is real. Man causes it and it threatens nearly every aspect of life. We are right to act with urgency to end our nation's addiction to fossil fuels and combat global warming. But we cannot waste this opportunity by moving a deeply flawed bill that provides too much to special interests and too little to the environment and consumers. I cannot support the American Clean Energy and Security Act in its current form.

This legislation continues the "clean coal" myth by providing at least \$60 billion for pie in the sky projects that will only continue the destruction of mountains and waterways at the hands of coal mining operations. More importantly, the bill takes away a vital weapon in the fight to defeat new coal burning plants by repealing the EPA's current authority to regulate greenhouse gas emissions, including the emissions of individual power plants. The result will be a rush to build new coal powered plants over the next decade and then an intense lobbying effort to ensure that these plants are grandfathered in by the time the rules are supposedly set to tighten in 2020.

The creation of a massive, trillion-dollar new carbon market should scare all of us. The new, highly complex carbon market will be ripe with opportunities for Wall Street speculation and manipulation. The Commissioner of the Commodity Futures Trading Commission estimates that the carbon market will consist of 180 million contracts within 5 years, making it the world's largest commodity and derivatives market. The subsequent market volatility will hurt consumers by ensuring that energy prices continue to fluctuate. Market volatility will also dissuade long-term investments in clean energy and efficiency. This is the scenario that has played out in the European Union, where prices have swung wildly and some power plants have actually switched back to coal due to the low cost of emissions permits.

Many of these problems could have been dealt with through amendments that were brought before the Committee on Rules yesterday. One amendment that I cosponsored would have reined in the carbon market by only allowing entities covered under the Cap and Trade program to trade allowances. This amendment would have greatly curtailed the ability of Wall Street to influence the carbon market and would have protected our economy from another financial meltdown. Unfortunately, this amendment was not allowed to come to the floor for a vote. I also cosponsored an amendment that would have continued EPA's current authority to regulate greenhouse gas emissions under the Clean Air Act. This authority would provide a backstop should the new cap and trade regime prove ineffective. Sadly, this amendment was also not allowed to come to the floor.

I commend the emission reduction targets laid out in the legislation. I am not convinced, however, that these targets will be met in the near future due to the many loopholes and dubious offset provisions contained in the bill. This bill unfortunately continues the Congressional tradition of subsidizing the fossil fuel industry. Only this time it is cloaked in the guise of environmentalism and the subsidies come in the form of free allowances, institutionalization of the "clean coal" fiction, and the gutting of EPA authority.

We have the opportunity and the responsibility to confront catastrophic global warming with bold action. Congress should seize that opportunity by passing legislation that would end our addiction to fossil fuels, prove our leadership to the world, and build a foundation for long-term prosperity. This legislation falls short of these goals. Many have said that this vote is a historic one that we will be judged by. In my view, history will judge this legislation as a missed opportunity. I urge my colleagues to oppose the bill in its current form and work to bring a truly progressive bill to the floor.